POLAND

Tarriffs Currency: Zloty

HS Code	Description	Autonomic	Conventional (Ad Valorem)	Conventional Other
2401	Unmanufactured Tobacco;Tobacco Refuse	30, 1.13 Minimum 1.13 ECU per kg	125	Minimum 2.58 ECU per kg
2401.10	Not stemmed, Oriental	20,Minimum 1.13 ECU per kg	125	Minimum 2.58 ECU
2402	Cigars, Cheroots, Cigarillos and Cigarettes,of Tobacco or of Tobacco Substitutes	253.8, 25.7 Minimum, ECU per 1000	205.3	Minimum 19 ECU per 1000
2402.20	Cigarettes	253.8, 25.7 Minimum ECU per 1000	205.3	Minimum 21.7 ECU per 1000
2403	Other Manufactured Tobacco Substitutes; Homogenized or Reconstituted Tobacco; Tobacco Extracts and Essences	338.3	273.3	

* tariff schedule implemented from 1996 to 2001

Poland’s Tariff Quotas

Tariff	Description	Quota	In Quota	Over-Quota	Conventional
2402.10	Cigars	20 Million Pieces	55	253.8,Minimum 25.7 ECU per 1000 Pieces	205.3 Minimum 21.7 ECU per 1000 Pieces
2402.20	Cigarettes	6 Billion Pieces	90,Minimum 9 ECU per 1000 pieces	253.8, Minimum 25.7 ECU per 1000	205.3, Minimum 21.7 ECU per 1000 Pieces
2402.90	Other	20 Million Pieces	90	253.8,Minimum 25.7 ECU per 1000 Pieces	205.3 Minimum 21.7 ECU per 1000 Pieces
2403	Other Processed Tobacco	1300 Tons	55-120, Minimum 1.13 ECU per kg	338.3	273.3

Discussion

Tariffs for tobacco were last changed on January 1, 1998 when the conventional tariff was decreased. All tobacco products both domestic and imported are assessed a 22-percent value-added tax in addition to excise taxes. The level of illegal trade such as smuggling decreased due to these changes.

Tobacco was eliminated from the list of commodities that developing and least developing countries receive preferential tariff treatment. There are no preferential tariffs for the European Union or Visigard countries. Thus, all exporting countries face the same tariff treatment for entry of tobacco into Poland.

Visigard Countries: Comprised of Poland, Hungary, Czech Republic and Slovakia. They are also members of the Central or Eastern European countries, CEE.

Poland may increase tariffs if they feel their market is threatened. Under the Uruguay Agreement, Poland has special safeguards for the following tobacco products: HS#2401, unmanufactured tobacco: HS#2402, manufactured tobacco; and HS#2403, other manufactured tobacco. Poland also has international negotiating rights (INR) with the United States for: HS# 2401.1049-other tobacco; HS#2401.2020, light air-cured burley (including burley hybrids); and

HS#2401.2090, other tobacco.

Non-tariff Barriers

Tariff-rate-quotas are in effect for tobacco and tobacco products. Above quota tariffs are approximately 2.5 times higher than within quota levels.

Preferential tariff quotas

Poland has also set import quotas for some tobacco products. Preferential tariff quotas were negotiated for products imported from Czech Republic, Slovak Republic, Hungary and Slovenia. The preferential tariff quota is 100 tons of manufactured tobacco products from Czech Republic and Slovak Republic (50/50) and 700 tons of unmanufactured tobacco from Hungary.

Excise tax

Since April 1994 all domestically produced and imported tobacco products require an official label under the excise tax system that indicates that the taxes have been paid. On imports, the official label has to be purchased by the importer and affixed by the producer on any cigarette packs shipped to Poland. These taxes are lower for local brands, while Western brands produced under license must pay the amount charged to imports. This requirement almost eliminates smuggling and increases the cost of imported cigarettes to the Polish consumer. All tobacco products, both domestic and imported are assessed a 22 percent value-added tax in addition to an excise tax.

There are five applied levels of excise taxes. They are as follows:

- zlotys 76.5/1000 PCS for imported or domestically produced licensed Western type cigarettes
- zlotys 65.50/1000 PCS for imported or domestically produced long cigarettes
- zlotys 51.50/1000 PCS for short cigarettes and
- zlotys 50.00/1000 PCS for non-filter cigarettes.

Ad valorem-100 percent for cigars, 150 percent for smoking tobacco (HS 2403.10.10.0)

Standards,Testing,Labeling and Certification

National, industry, and production standards regulate the manufacture of tobacco products in Poland. Local tobacco and cigarettes are subject to quality testing. The smell, taste, aroma, humidity, tobacco, tar and nicotine content, size of cigarettes, individual and transport packages are tested.

Foreign cigarettes have to be tested and obtain certificates of compliance with Polish standards if imported in a quantity higher than 10,000 PCS.

Phytosanitary Standards

Tobacco imports must be accompanied by a certificate of origin and phytosanitary certificate. A phytosanitary certificate has to be issued no more than 14 days before the date of goods' dispatch. Additionally, each lot of imported tobacco is subject to phytosanitary control at the Polish border.

Anti-smoking

In May 1996 the Government of Poland passed a law which prohibits smoking in public places except for specially authorized smoking rooms. The new law forbids sales of cigarettes in hospitals, sport facilities or through automatic machines. Cigarettes can no longer be sold by piece and it is against the law to sell cigarettes to persons under 18 years old. Advertising for cigarettes, tobacco and their brand symbols are forbidden in radio, televison, cinemas, youth and children's publications as well as in sport, health and educational facilities. Also the law requires that cigarettes manufactures include health warnings on billboards. Health warnings must cover 20 percent of the advertising area. Since 1991 Polish law requires a health warning on each pack of cigarettes, as well as a statement of tar and nicotine content. Health warnings and nicotine information must cover 30 percent of cigarette packs. From July 1, 1998 maximum tar and nicotine levels per cigarette are 15 mg and 1.5 mg respectively, and from July 1, 2003, 12 mg and 1.2 mg respectively. The level can vary by 15 percent from the above contents. The new restrictions are expected to push cigarette consumption lower over time.

MEXICO

Tariffs Currency: Mexican Peso

HS Code	Description	Import duty % Ad Valorem, NAFTA	Import Duty % Ad Valorem, Others
2401.10.01	Tobacco not Stemmed/Stripped	20	67
2401.20.01	Light Tobacco for Fillers	20	45
2401.20.99	Other	20	45
2401.30.01	Tobacco Refuse	20	45
2402.10.01	Cigars, Cheroots and Cigarillos	20	45
2402.20.01	Cigarettes Containing Tobacco	20	67
2402.90.99	Other	20	67
2403.10.01	Smoking Tobacco	20	67
2403.91.01	Homogenized or Reconstituted Tobacco	20	45
2403.99.99	Other	20	45

Note: Imports of tobacco and tobacco products from Chile, Venezuela, Costa Rica, and Colombia are duty-free.

Discussion

The United States, Canada, and Mexico signed the North American Free Trade Agreement in 1994. Under NAFTA, Mexico converted its import licensing regime for tobacco and tobacco products imported from the United States and Canada to tariff-only treatment. Tobacco leaf imports from non-NAFTA countries continue to be subject to import licenses. However, cigarette companies have been able to obtain these permits when they prove that domestic production is insufficient to meet demand.

The NAFTA called for many tariffs to be eliminated. U.S. and Canadian tobacco products exported to Mexico were initially assessed a 50-percent tariff, which is being reduced to zero in equal installments over a 10-year transition period. For 1998, the Mexican tariff rate on tobacco is 25 percent.

Import Requirements and Restrictions

The above rates do not apply to free trade areas where tariffs are reduced to zero. Import permits, controlled through the Secretariat of Commerce and Industrial Development (SECOFI), are required for all tobacco and tobacco products only when imported from Guatemala, Honduras, El Salvador, Nicaragua, Panama, Cuba, Ecuador, Peru, Paraguay, Uruguay, Argentina, or Brazil.

Rules of Origin

For cigarettes and cigars, the de minimis allowance is 9 percent by value. For example, a U.S. cigarette company may claim NAFTA tariff preference on U.S. cigarettes exported to Canada or Mexico when the value of the imported Oriental and filler tobaccos in those cigarettes does not exceed 9 percent of the value of the shipment of the cigarettes.

Taxes

According to government fiscal regulations, cigarettes produced or imported into Mexico must pay a production and service tax. As of August 1992, filter-tipped cigarettes are subject to a 123-percent production tax, and non-filter cigarettes to a 20.9-percent production tax. As part of the anti-inflationary program--the stability and economic growth program (PECE)--the government reduced the VAT from 15 to 10 percent in late 1991. This VAT is levied on the manufacturer and passed on to the wholesaler and retail trade. Total taxes average between 50 and 55 percent of the retail price of cigarettes.

Anti-smoking

Mexican health department (SSA) regulations require that cigarette packs show the following in Spanish: “Quitting smoking reduces important health risks.”

CANADA

Tariffs

Currency: Canadian Dollar (C$)

HS Code	Description	MFN	Applicable Preferential Tariff
2401	Unmanufactured tobacco Tobacco Refuse		
2401.10	Tobacco, not Stemmed/Stripped		
2401.10.10	For use as Wrappers in the Manufactured of Cigars	free	UST, CCT, LDCT,GPT,MT, CT;Free
2401.10.91	Turkish	3%	UST,CCCT,LDCTGPT,MT,CT;Free
2401.10.99	Other	6.5%	UST,CCCT,LDCT,GPT,MT, CT; Free GPT; 5%
2401.20	Tobacco, partly or wholly stemmed/stripped	9.5%	UST,CCT,LDCT,GPT,MT,CT;Free
2401.20.10	For use in manufactured of cigars	9.5%	UST,CCCT,LDCT,GPT,MT, CT;Free
2401.20.90	Other	9.5%	UST,CCCT,LDCR,GT,MT,CT;Free
2401.30.00	Tobacco refuse	7.5%	UST,CCCT,LDCT,MT,CT;Free GPT: 5%
2402	Cigars,Cheroots,Cigarillos and Cigarettes, of tobacco or of tobacco substitues	9.5%	
2402.10	Cigars,Cheroots and Cigarillos, containg tobacco		UST,CCCT,LDCT,GPT,MT, CT;Free
2402.10.10	Hand-rolled cigars	9.4%	
2402.10.90	Other	9.4%	
2402.20.00	Cigarette containing tobacco	15%	UST,CCCT,MT,CT; Free

2402.90.00	Other	7.5%	UST,CCCT,LDCT,MT,CT;Free GPT;5%
2403	Other Manufactured Tobacco and Manufactured Tobacco Substitutes; Homogenized or Reconstituted Tobacco Tobacco Extracts and Essences		
2403.10.00	Smoking tobacco, whether or not containing tobacco substitutes in any proportion	5%	UST,CCCT,MT,CT; Free
2403.91	Homogenized or Reconstituted Tobacco	6%	
2403.91.10	Of a Kind Used as Wrapper Tobacco	6%	UST,CCCT,LDCT,GT,MT,CT,Free
2403.91.90	Other	16%	UST,CCCT,MT,CT, Free
2403.99.10	Snuff	6%	UST,CCCT,MT, CT,Free
2403.99.90	Other	11.5%	UST,CCCT,MT,CT, Free

UST, United States Tariff; MT, Mexico Tariff; CT, Chile Tariff; MFN: Most Favored Nation

<u>Discussion</u>

The Department of Finance is responsible for legislation and policy, while Revenue Canada administers the commodity taxation system, including interpretation, collection and enforcement. The Excise Act is the foundation of the federal commodity taxation system for alcohol and tobacco products. It imposes excise duties on spirits, beer and tobacco products manufactured in Canada and includes extensive control provisions relating to the production and distribution of these commodities.

Prior to 1994, federal excise duty and excise tax rates were the same in every province. With the announcement of the National Action Plan on smuggling in February 1994, however, the federal government reduced excise tax rates on most tobacco products by a base amount across the country and by various additional amounts in Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island to match provincial tobacco tax reductions. While there have been modest federal excise tax increases in some of these provinces over the interim, federal excise tax rebates on tobacco products continue to vary from one province to another.

The United States, Canada, and Mexico signed the North America Free Trade Agreement in 1994. This trade agreement removed most barriers to trade and investment among the three countries. Mexico and Canada reached a separate bilateral NAFTA agreement on market access for agricultural products.

Canada granted trading preferences with five other groups. They are as follows:

1. Most-Favoured-Nation Tariff applies to mostly all countries
2. British Preferential Tariff or BPT is applicable to developing countries which are members of the British Commonweath, and to Australia and New Zealand.
3. General Preference Tariff (GPT) applies to certain developing countries otherwise entitled to MFN or BPT treatment.
4. The Least Developed Developing Country Tariff (LDDC) is accorded to countries identified by the United Nations as ones who are to receive special attention.
5. Commonweath Carribean Countries or (CCC)

Import Requirements and Restrictions

Imported tobacco products must comply with regulations under the Consumer Packaging and Labeling Act. This includes bilingual labeling (French and English), statement of number of pieces of cigarettes or cigars, statement of weight if manufactured tobacco, and name/address of manufacturer. Cultural differences and preferences are the most significant factors limiting imports of tobacco and tobacco products. Canadian smokers prefer cigarettes manufactured entirely of flue-cured tobaccos and domestic production of flue-cured tobacco normally exceeds domestic consumption.

Taxes

The federal tax system on tobacco and tobacco products includes an excise duty under the Excise Act, an excise tax under the Excise Tax Act, and a goods and services tax under a Value Added Tax Act. In recent years, steep increases in taxes and duties have pushed the average cost of a pack of cigarettes to over C$6.00.

Excise duty

A federal excise duty is levied on Canadian tobacco product manufacturers and leaf processors. As of February 14, 1998, the duties are as follows in Canadian dollars:

Excise Duties

Item	Duty
Cigarettes, per 1,000; Weighing not more than 1,361 grams per thousand	27.475
Cigarettes, per 1,000; Weighing more than 1,361 grams per thousand	29.374
Cigars, per 1,000	14.786
Fine Cut Tobacco & Tobacco Sticks, per kilogram	18.333
Canadian Raw Leaf, per kilogram	1.572

Excise Tax

An excise tax is also levied on tobacco products. It is payable by the manufacturer at the time of sale or by the importer at the time of importation. Federal excise taxes for cigarettes vary by province (a result of the federal/provincial initiative against cigarette smuggling in the early 1990s). As of February 14, 1998, the excise taxes in Canadian dollars are:

Excise Taxes

Province	Cigarettes (per 200)	Tobacco Sticks per 200
Newfoundland	5.35	2.93
Manitoba	5.35	2.93
Saskatchewan	5.35	2.93
Alberta	5.35	2.93
British Columbia	5.35	2.93
Nova Scotia	4.65	2.93
New Brunswick	4.45	2.53
Prince Edward Island	3.40	2.13
Ontario	2.64	1.85
Quebec	2.25	1.85

Federal Goods and Services (GST) Tax: The federal government 7 percent GST is levied on all Canadian tobacco product sales.

Provincial Tobacco Taxes: Each province levies tobacco taxes on cigarettes, tobacco sticks, and fine cut tobacco. The following are the provincial tobacco tax rates in Canadian dollars for 200 cigarettes:

Provincial Tobacco Taxes

Province	Tax
Newfoundland	22.00
British Columbia	22.00
Saskatchewan	16.80
Manitoba	16.00
Prince Edward Island	12.65
Alberta	14.00
Nova Scotia	9.04
New Brunswick	7.70
Quebec	5.94
Ontario	4.70

Provincial Sales Taxes

Seven provinces levy sales taxes on tobacco products at the following rates:

Provincial Sales Taxes

Provinces	**Provincial Sales Tax**
Newfoundland	8.0 percent
Nova Scotia	8.0 percent
New Brunswick	8.0 percent
Ontario	8.0 percent
Quebec	7.5 percent
Manitoba	7.0 percent
Saskatchewan	7.0 percent

Anti-smoking

The centerpiece of tobacco control legislation in Canada is the Tobacco Act, which was passed by Parliament on April 25, 1997 and repealed the Tobacco Products Control Act and the Tobacco Sales to Persons Act. The Tobacco Act limits youth access to tobacco products; restricts the promotion of tobacco products increses health information on tobacco packages; and establishes the authority to regulate tobacco products. Additional control features include retail sign displays that tobacco will not be sold to minors, a requirement that cigarette packages contain no fewer than twenty cigarettes, restrictions on the location of vending machines, and restrictions on tobacco sales by mail.

On June 3, 1998 Canada's Health Minister introduced amendments to the Tobacco Act which propose to:
1) provide a complete ban on the promotion of tobacco sponsorship by 2003.
2) expand the mandatory reporting requirements for manufactures on all categories of tobacco sales, tobacco ingredients (including more than 50 toxic constituents) and details about tobacco research, manufacturing, distribution, and promotional activities; and
3) strengthen regulations on tobacco sales to minors.

Other Legislation

The Non-Smokers Health Act was passed in June 1988 and came into force in December 1991. The Act restricts smoking in federally regulated workplaces, bans smoking on commercial airlines and buses, and restricts smoking on trains and ships.

Several provinces have tobacco control legislation including Ontario, Manitoba, and Quebec. British Columbia proposes to charge tobacco companies license fees for the right to sell their products in that province. A 1995 survey of Canadian municipalities with a population over 10,000 showed that 40 percent had implemented a smoking control by-law. The by-laws cover a wide range of restrictions including smoking control in municipally-owned buildings, hospitals, other health facilities, public transporation, restaurants, schools, child care facilities, shopping malls, office buildings, etc.

The office of Tobacco Control (OTC), part of Health Canada, was created in 1994 to respond to the federal government's Tobacco Demand Reduction Strategy. The Strategy, which is part of the government's Action Plan to combat smuggling, is comprised of legislative measures, stepped-up enforcement, research initiatives and comprehensive education programs.

COLOMBIA

Tariffs Currency: Colombian Peso

HS Code	**Description**	**Import Duty**
2401	Unmanufactured tobacco; tobacco refuse	10
2402	Manufactured tobacco; tobacco extracts and essences	20
2403	Other manufactured tobacco and tobacco substitutes	20

<u>Discussion</u>

Tobacco leaf products are traded duty free between Andean Community countries (Colombia, Venezuela, Ecuador, Peru, and Bolivia), Caricom countries (Carribbean Basin) and between Colombia and Chile.

<u>Import Requirements</u>

Imports of tobacco leaf and tobacco products require an import license from INCOMEX, an agency of the Ministry of Foreign Trade. Importers also must obtain a phytosanitary permit from the Colombian Agricultural Institute (ICA), an agency of the Ministry of Agriculture, before obtaining their import license from INCOMEX. All tobacco leaf imports from the U.S. must be accompanied by a phytosanitary certificate issued by USDA/APHIS.

<u>Taxes</u>

Manufactured tobacco products, both imported and domestic, are assessed a 55-percent consumption tax and a 10-percent sport promotion tax. These taxes do not apply to tobacco leaf. In the case of a domestic package of cigarettes sold by a local manufacture to a retailer, the manufacturer must pay 65 percent of the value of this sale to the Government of Colombia, GOC. For imports of manufactured tobacco, the consumption and sport promotion taxes are assessed against a constructed value which includes the cif price, the 20-percent import duty, and a 30-percent profit markup calculated by the GOC.

<u>Anti-smoking Measures</u>

Consumer awareness regarding the hazards of smoking has come mostly form the United States. Few Colombian restaurants have “no smoking” sections. Smoking is permitted in most office buildings and government offices. Smoking is allowed in designated sections of airplanes during international flights but is prohibited during domestic flights.

The GOC requires every pack of cigarettes produced domestically or legally imported to have a warning stating “Smoking is injurious to your health” and the name of the importer. Additionally, every cigarette unit must carry the word “Colombia”.

There are no GOC restrictions regarding the advertising of cigarettes on TV, radio and in the printed media. The same warning on cigarette packs stating that this product is injurious to health is required for advertisements. Actors appearing in advertisements are not allowed to be shown smoking, but they can have an unlit cigarette in their hand.

BOLIVIA

Tariffs Currency: Boliviano

HS Code	Description	Import Duty (percent CIF)
2401	Unmanufactured Tobacco; Tobacco Refuse	10
2402	Manufactured Tobacco, Tobacco Extracts and Essences	17
2402.02	Cut or Shredded, for the Industrial Manufacturer of Cigarettes	Free

Discussion

Import Requirements and Restrictions

Bolivia does not have any restrictions, quotas, or monopoly practices that restrict U.S. tobacco imports. An importer, however, must obtain a license from the office of internal revenue prior to shipping. Since they are considered “Luxuries” under Bolivian Law, imports of tobacco and tobacco products are also liable for the specific consumption tax (ICE), equal to 50 percent ad-valorem of the CIF value of imports which is applied in addition to the regular tariff of 10 percent.

Taxes

Tobacco imports pay 17 percent (net value) as an import tax. This tax is similar to that applicable to any other commodity imported into Bolivia. Importation of tobacco has to be made through a registered tobacco company in the country since a special sales tax is charged on tobacco products and alcoholic beverages. A value added tax of 10 percent is added on all goods sold in Bolivia.

Anti-smoking measures

A health warning is required on all cigarette packages sold in the country.

BURMA (MYANMAR)

Tariffs   Currency: Kyats

Item Codes	Description	Import Duty (Ad Valorem)
39	Unmanufactured Tobacco	150
41	Manufactured Tobacco, Cigars, Cheroots	300
42	Manufactured Tobacco, Cigarettes	300
43	Manufactured Tobacco, Other, not Elsewhere Specified	300

Discussion

The Ministry of Commerce prohibited the import of Cigarettes including Cigars under an Order issued on March 20, 1998, Order No. 5/98, Section 3 (1) of the Control of Imports and Exports (Temporary) Act, 1947

Ash trays with Cigarette Company brands names are regarded as non-commercial value and are not taxed.

Import Requirements and Restrictions

None.

Taxes

Burma levies a commodity and services tax (excise duty) on both imported and domestic tobacco products. The tax is applied as a percent of ex-factory cost for domestically produced goods or as a percent of port of entry cost for imported goods. Tax rates are as follows:

Cigars and smoking pipes	30 percent
Cigar boxes and ash trays	30 percent
Pipe tobacco	60 percent
Chewing tobacco	60 percent
Cigarettes	125 percent

Anti-smoking Measures

Burma has two T.V. channels, namely Myanma Television and Radio Department

(MTRD) and Myawaddy Television. Commencing from April 1, 1998, MTRD was not allowed to televise commercial ads promoting cigarettes whereas Myawaddy Television doubled the rate for commercial ads, for cigarettes. However, after the commercial ads people are warned of the risks of smoking. People are also warned of the risks of smoking in health campaigns and also through the media.

SYRIA

Tariffs | Currency: Syrian Pound (£S)

<u>Discussion</u>

In Syria, customs duties are set as follows: leaf tobacco at 7 percent, cut tobacco and chewing tobacco at 15 percent and cigaraettes and cigars at 30 percent.

Purchase of wrapping paper, filter material, and other cigarette industry requirements is transacted through the official tender system (requests for bids). All locally produced tobacco products are purchased, manufactured, and marketed by the Government for Tobacco (GOT) which operates under the umbrella of the Syrian Ministry of Economy and Foreign Trade. A sister organization, the General Organization for Trading and Distribution (GOTA), is responsible for importing imported cigarettes. GOTA sells about 75 percent of its imports directly to the consumers through its selling outlets, in hotels, and in free zones areas for hard currency. The remaining 25 percent of imported cigarettes are given to GOT to sell through its distributors in local currency.

According to the GOT leaf tobacco imports were banned since January 1981. Cigarette imports were permitted by GOTA since 1993.

<u>Import Requirements and Restrictions</u>

Cigarette imports have been banned since 1981. According to the GOT, a fine of £S100 per kilogram or part thereof is imposed on confiscated foreign cigarettes. If the fine is not paid, the accused is imprisoned for a period equivalent to £S5 per day. The import of leaf tobacco was prohibited in 1985. Purchase of wrapping paper, filter material and other cigarette industry requirements is transacted through the official tender system (requests for bids). All tobacco products are purchased, manufactured, and marketed by the GOT.

<u>Taxes</u>

The Ministry of Finance collects a 15 percent excise tax on the retail value of all tobacco products, of which one fifth or 3 percent goes to the Ministry of Local Administration.

<u>Anti-smoking Measures</u>

Health warnings are required on all cigarette packages. Translation of this warning reads: "Smoking is harmful to your health, we advise you to stop it."

JORDAN

Tariff | Currency: Jordanian Dinar

HS Code	Description	Import Duty
2401.1011	Tombac: Imported by Factories	5%
2401.1019	Other (Packed Ready for Use)	95%
2401.109	Other (In Bulk)	70%
2401.2011	Imported by Factories	5%
2401.2019	Other (Packed Ready for Use)	95%
2401.209	Other (In Bulk)	70%
2401.3011	Imported by Factories	5%
2401.3019	Other (Packed Ready for use)	100%
2401.309	Other (In Bulk)	50%
2402.10	Cigars and Cigarellos Manufactured from Tobacco	100%
2402.20	Cigarettes Manufactured from Tobacco	100%
2402.901	Cigars	100%
2402.902	Cigarettes	100%
2403.10	Tobacco for Smoking even it Contains Tobacco Substitue	70%
2403.91	Tobacco, Cut or Pressed	70%
2403.991	Chewing Tobacco	70%
2403.992	Snuff	70%
2403.993	Tobacco Extracts and Essences	5%
2403.999	Other	70%

Discussion

The Ministry of Agriculture is still responsible for all aspects of tobacco production. Presently, three companies in Jordan produce cigarettes: the Jordan tobacco and Cigarette Co.; the International Tobacco and Cigarettes Co.; and the Union Tobacco and Cigarettes Co. These three companies import unmanufactured tobacco for producing cigarettes. The Ministry of Supply also imports foreign manufactured cigarettes. The Ministry of Supply does not regulate retail prices of imported cigarettes but it does fix prices for Jordanian manufactured cigarettes. Imported tobacco is also assessed an 11.5-percent sales tax.

CHINA

Tariffs Currency: Yuan

HS CODE	Description	Import Duty, Percent Ad Valorem	Percent Ad Valorem, MFN
2401	Unmanufactured Tobacco; Tobacco Refuse	40	50
2402	Cigars, Cheroots, Cigarillos, and Cigarettes, of Tobacco or of Tobacco Substitutes	65	180
2403	Other Manufactured Tobacco and Manufactured Tobacco Substitutes; “Homogenised” or “Reconstitutedd” Tobacco; Tobacco Extracts and Essences	65	180

Discussion

The Chinese tariff structure for imported tobacco and tobacco products is geared towards limiting imports. The Minimum (M.F.N) rate applies to trading partners such as the United States with which China has bilateral trade agreements. The general rate category applies to all other trading partners. The minimum import duty for foreign cigarettes was reduced to 36 percent effective January 1, 1998. The provisional reduction was not publicly announced since the reduced rate is subject to periodic review and adjustment by the Chinese authorities.

Import Requirements and Restrictions

All foreign tobacco trade is controlled by the China National Tobacco Import and Export Corporation (CNTIEC), which is the primary importer of tobacco and cigarettes in China.

Domestic tobacco production and most cigarette manufacturing activity is controlled by the China National Tobacco Corporation (CNTC), which is administered by the State Tobacco Monopoly Administration (STMA).

Labeling requirements for imported cigarettes require that the statement

“Sold exclusively by the China National Tobacco Corporation” be printed on each pack. Imported cigarettes not labeled as above are banned from wholesale and retail sale. Only retail outlets holding the relevant licenses granted by the STMA are allowed to sell imported cigarettes. Each pack must also carry the warning (in Chinese) “Smoking is harmful to health”.

China Animal and Plant Quarantine (CAPQ) implemented a policy in November 1989 requiring all importers purchasing tobacco from countries with blue mold to apply for permission from CAPQ. The 1992 published List of Quarantined Plants prohibited tobacco leaf with blue mold disease from entering the Peoples Republic of China. Currently, CAPQ is not allowing tobacco from countries with a history of blue mold to enter the country.

<u>Taxes</u>

China abolished the Industrial & Commercial (i.e I&C) tax in 1990. In 1994, the government imposed a Special Agricultural Product tax of 31 percent for unmanufactured tobacco. In addition to import duties, importers of cigarettes are required to pay consumption taxes (CT) and value added taxes (VAT). Currently, the CT rate for cigarettes is 40 percent and the VAT is 17 percent. The Stipulated Rate is 45 percent CT and 17 percent VAT.
The CT and VAT for imported cigarettes are calculated as follows:

CT=(CIF value + Import duty) * (current CT rate) * (Stipulated CT rate)

VAT=(CIF Value + Imported duty + CT) * VAT Rate

Based on the tax rates and calculations mentioned above, the effective tax rate as of June 30, 1998 for imported cigarettes and domestic grade A cigarettes is 175 percent and 64 percent respectively.

<u>Anti-smoking</u>

Cigarette advertising is banned, The Tobacco Monopoly Law, which became effective January 1, 1992, contains provisions for regulation of advertisements and increasing consumer awareness of the health risks associated with smoking. The central and provincial government offices are making great efforts to promote an anti-smoking campaign in China. Most government offices are smoke free. Some provincial tobacco monopoly offices proposed to raise the tobacco tax to compensate provincial hospitals for expenses incurred in treating smoking-related diseases.

KUWAIT

Tariffs Currency: Kuwaiti dinar

Item	Description	Import Duty (Percent Ad Valorem)
1	Tobacco, Tobacco Products	70 percent

Import Requirements and Restrictions

Importation of tobacco products is handled by the private trade. Imports of chewing tobacco are prohibited. In addition, the government requires each shipment of tobacco products to contain a "certificate of freshness" stating the product is manufactured on the date specified in the certificate. There are no additional import quotas, monopoly practices, licensing regimes, currency, or other restrictions except those noted below under anti-smoking measures.

Taxes

There are no state or local income taxes or sales taxes or levies other than the tariffs noted above.

Anti-smoking Measures

The tobacco policy of Gulf Cooperation Council (GCC) member countries s based on the resolutions of the GCC Health Ministers' meeting in Riyadh in Jan. 1986. Those resolutions were aimed at unifying GCC policy toward tobacco imports and to curb smoking for health reasons. Under the existing charter of the GCC, each member is free to adopt or implement the resolution as it chooses. Provisions include:

(1) tar and nicotine levels are required to be printed on cigarette packs in both Arabic and English and must not exceed 10 mg tar and 0.6 mg nicotine;
(2) a mandatory laboratory testing of tar and nicotine levels is required at destination (Temporarily halted due to damage to the testing laboratory during the Iraqi invasion of Kuwait);
(3) a health warning is required as follows: "Health warning: Smoking is a main cause of lung cancer and lung diseases and diseases of the heart and arteries." This warning must be printed in both Arabic and English on the front or side of the cigarette pack; and
(4) the production date (month and year only in English) is required, either printed on the pack or on a sticker inside the wrapper.

Advertising is banned on television, radio and in print media. The importation of advertising materials which advertise cigarette brands is prohibited. Sponsorships of specified events is permitted.

OMAN

Tariffs Currency: Omani Rial

Item	Description	Import Duty (Percent Ad Valorem)
1	Tobacco, Tobacco Products	75% or $16.6 per 1,000 Cigarette Pieces Minimum

Import Requirements and Restrictions

Importation of tobacco products is handled by the private trade and is free from any government involvement. There are no import quotas, monopoly practices, licensing regimes, currency, or other restrictions except those noted below under anti-smoking measures.

Taxes

There are no state or local income taxes or sales taxes or levies other than the tariffs noted above.

Anti-smoking Measures

The tobacco policy of Gulf Cooperation Council (GCC) member countries is based on the resolutions of the GCC Health Ministers' meeting in Riyadh in Jan. 1986. Those resolutions were aimed at unifying GCC policy toward tobacco imports and to curb smoking for health reasons. Under the existing charter of the GCC, each member is free to adopt or implement the resolution as it chooses. Provisions include:

(1) tar and nicotine levels are required to be printed on cigarette packs in both Arabic and English and must not exceed 10 mg tar and 0.6 mg nicotine; and
(2) a health warning is required as follows: "Health warning: Smoking is a main cause of lung cancer and lung diseases and diseases of the heart and arteries." This warning must be printed in both Arabic and English on the front or side of the cigarette pack.

Advertising is banned on television and radio. It is permitted in print media and sponsorships of specified events. Oman has joined Bahrain, Kuwait and Qatar in banning the importation of promotional material carrying the brand name of tobacco products. Local authorities allow cigarette dealers to import and utilize generic material not carrying brand names.

QATAR

Tariffs — Currency: Qatari Riyal

Item	Description	Import Duty (Percent Ad Valorem)
1	Tobacco, Tobacco Products	70% or $15 per 1,000 Cigarette Pieces

Import Requirements and Restrictions

Importation of tobacco products is handled by the private trade and is free from government involvement. There are no import quotas, monopoly practices, licensing regimes, or currency restrictions. The production date (month and year) is required on every pack of tobacco in Qatar.

Taxes

There are no state or local income taxes or sales taxes or levies other than the tariffs noted above.

Anti-smoking Measures

The tobacco policy of Gulf Cooperation Council (GCC) member countries is based on the resolutions of the GCC Health Ministers' meeting in Riyadh in 1986. Those resolutions were aimed at unifying GCC policy toward tobacco imports and to curb smoking for health reasons. Under the existing charter of the GCC, each member is free to adopt or implement the resolution as it chooses. Provisions include:

(1) tar and nicotine levels for cigarettes must not exceed 10 mg tar and 0.6 mg nicotine.
(2) a health warning is required as follows: "Health warning: Smoking is a main cause of lung cancer and lung diseases and diseases of the heart and arteries." This warning must be printed in both Arabic and English on the front or side of the cigarette pack and
(3) a mandatory testing of nicotine levels is required at destination.

Advertising is banned on television and radio. It is permitted in the print media and of sponsorships of specified events. Qatar has joined Bahrain, Kuwait and Oman in banning the importation of promotional material carrying the brand name of tobacco products. Local authorities allow cigarette dealers to import and utilize generic materials not carrying brand names.

UNITED ARAB EMIRATES

Tariffs   Currency: Emirian Dirham

Item	Description	Import Duty (Percent Ad Valorem)
1	Tobacco, Tobacco Products	70% or $15 per 1,000 Minimum Duty

Discussion

The 30-percent ad valorem tax noted above is a "Federal" U.A.E. duty applicable to both imported and domestic tobacco and tobacco products. Each of the seven Emirates constituting the U.A.E. is entitled to collect an additional ad valorem tax of 4 percent. In fact, the individual Emirates are retaining the "Federal" tax for themselves and collecting only an additional 1 percent as local tax.

Import Requirements and Restrictions

Importation of tobacco products is handled by the private trade and is free from any government involvement. There are no import quotas, monopoly practices, licensing regimes, currency or other restrictions except those noted below under anti-smoking measures.

Taxes

There are no state or local taxes on tobacco products except as noted above.

Anti-smoking Measures

The U.A.E. is a member of the Gulf Cooperation Council (GCC). The tobacco policy of Gulf Cooperation Council (GCC) member countries is based on the resolutions of the GCC Health Ministers' meeting in Riyadh in 1986. Those resolutions were aimed at unifying GCC policy toward tobacco imports and to curb smoking for health reasons. Under the existing charter of the GCC, each member is free to adopt or implement the resolution as it chooses. Provisions currently being applied in the U.A.E. include:

(1) tar and nicotine levels are required to be printed on cigarette packs in Arabic and English and can not exceed 10 mg tar and 0.6 mg nicotine;
(2) a health warning is required as follows: “Health warning: Smoking is a main cause of lung cancer and lung diseases and diseases of the heart on the front or side of the cigarette pack;
(3) the U.A.E. requires that tobacco packs bear the production month and year. However, products carrying only production year are currently permitted; and

(4) a cigarette package cannot contain more 20 cigarettes. In addition, advertising is banned on television and radio.

SYRIA

Tariffs Currency: Syrian Pound (£S)

HS Code	Description	Customs Duty
	Leaf Tobacco	7 percent
	Cut and Chewing Tobacco	15 percent
	Cigarettes and Cigars	30 percent

Import Requirements and Restrictions

According to the General Organization for Tobacco (GOT), leaf tobacco imports were banned since June 1981. Cigarette imports were permitted by the General Organization for Trading and Distribution (GOTA) since June 1993. A fine of £S100 per kilogram or part thereof is imposed on confiscated foreign cigarettes. If the fine is not paid, the accused is imprisoned 60 days. The import of leaf tobacco was prohibited in 1985.

The purchase of wrapping paper, filter material and other cigarette industry requirements is handled through the official tender system (requests for bids). All tobacco products are purchased, manufactured, and marketed by the GOT which operates under the umbrella of the Syrian Ministry of Economy and Foreign Trade. GOTA sells about 75 percent of its imports directly the consumers through its selling outlets, in hotels, and in free zone areas for hard currency. The remaining 25 percent of imported cigarettes are given to GOT to sell through its distributors in local currency.

Taxes

The Ministry of Finance collects a 15-percent excise on the retail value of all tobacco products, of which one fifth (i.e. 3 percent) goes to the Ministry of Local Administration.

Anti-smoking Measures

Health warnings are required on all cigarette packages. Translation of this warning reads: "Smoking is harmful to your health, we advise you to stop it."

VENEZUELA

Tariffs Currency: Bolivar

HS Code	Description	Ad Valorem Tax	Import tax	Total Tax
2401.1010	Unmanufactured Tobacco, Tobacco, not Stemmed/Stripped	10%	15%	11.5%
2401.1020	Unmanufactured tobacco, Dark tobacco	10%	15%	11.5%
2401.2010	Tobacco, partly or wholly stemmed/stripped, Light Tobacco	15%	15%	17.3%
2401.2020	Tobacco, Partly or Wholly Stemmed/Stripped, Dark Tobacco	15%	15%	17.3%
2401.3000	Tobacco Refuse	10%	15%	11.5%
2402.1000	Manufactured Tobacco; tobacco extracts and essences	20%	15%	23.0%
2402.2010	Cigar	20%	15%	23.0%
2402.2020	Cigarettes	20%	15%	23.0%
2402.9000	Other	20%	15%	23.0%
2403.9100	Cut or Shredded, for Smoking	20%	15%	23.0%
2403.9900	Other	20%	15%	23.0%

Total Tariff= CIF*(Ad Valorem Tax+(Ad Valorem Tax* Import Tax))
Andean community does not pay an Ad Valorem Tax neither an import tax.

The Andean community only pays taxes.

Import Requirements and Restrictions

Imports of unmanufactured tobacco require phytosanitary permits issued by the country of origin plus phytosanitary permits issued by the Venezuelan Ministry of Agriculture. Imports of manufactured tobacco, cigars and cigarettes only require phytosanitary permits issued by the country of origin.

Taxes

Beginning April 17, 1998 the Government of Venezuela (GOV) established an additional 15 percent import tax or surcharge to an extensive list of commodities and goods, including unmanufactured and manufactured tobacco, cigars and cigarettes. According to decree number 2484, dated April 16, 1998, all imports listed on the decree are obligated to pay an additional 15-percent Ad valorem tariff. For example, the Ad valorem tax with the new import tax for manufactured tobacco, cut or shredded, for smoking is 23 percent (20 percent+ 20 percent*15 percent). Imports of the above products coming from Andean Community countries and from those countries that have trade agreements with Venezuela are not subject to this additional charge. Manufactured tobacco, cigars and cigarettes are subject to a 16.5 percent luxury tax and a 10 percent wholesale tax in addition to the ad valorem duty and the tax of 15 percent of the ad valorem tariff.

Cigarettes are subject to a 50-percent excise tax on the retail price.

Additionally, a two-percent customs service charge is imposed on all imports.

HS Code	**Description**	**Customs Services Tax**	**Luxury Tax**	**Wholesale Tax**	**Total Tax**
2401.1010	Unmanufactured tobacco, tobacco not stemmed/stripped	2%	0%	0%	2.0%
2401.1020	Tobacco, Partly or Wholly Stemmed/Stripped	2%	0%	0%	2.0%
2401.2010	Tobacco, Partly or Wholly Stemmed/Stripped, Light Tobacco	**2%**	0%	0%	2.0%

HS Code	Description	Customs Services Tax	Luxury Tax	Wholesale Tax	Total Tax
2401.2020	Tobacco, Partly or Wholly Stemmed/Stripped, Dark Tobacco	**2%**	0%	0%	2.0%
2401.3000	Tobacco Refuse	2%	0%	0%	2.0%
2402.1000	Manufactured Tobacco; Tobacco Extracts and Essences	2%	16.5%	10%	28.5%
2402.2010	Cigars	2%	16.5%	10%	28.5%
2402.2020	Cigarettes	2%	16.5%	10%	28.5%
2402.9000	Other	2%	16.5%	10%	28.5%
2403.9100	Cut or Shredded, for smoking	2%	16.5%	10%	28.5%
2403.9900	Cut or Shredded, for Smoking, Other	2%	16.5%	10%	28.5%

Total Taxes=(CIF*Custom Services)+(CIF*Luxury Tax)+(CIF*Wholesale Tax)

Anti Smoking Measures

Tobacco manufacturers must be creative when it comes to marketing cigarettes since Venezuela is one of the few countries in Latin America which bans cigarette advertizing on the radio and television. Ads for cigarettes, however, are prevalent in movie theaters, magazines, public events (concerts, sporting events) and in public advertising media (billboards, etc).

The GOV requires a health warning on all cigarette packs. The same warning is required in all advertisements, newspapers, billboards, etc. Smoking is prohibited in elevators, on public transportation, commercial air flights, schools and in certain other areas designated by the government. Separate smoking and nonsmoking sections are required at places of assembly.

TAIWAN

Tariffs   Currency: New Taiwan Dollar

Item		Description	Import Duty
24.01		Unmanufactured tobacco; tobacco refuse:	
	(1)	Tobacco Leaf	20
	(2)	Tobacco stalk, dust, sifting and refuse	35
24.02		Manufactured tobacco, tobacco extracts and essences:	
	(1)	Cigars and cheroots	30
	(2)	Cigarettes	32.5
	(3)	Tobacco Prepared	20
	(4)	Tobacco extracts and essences	20
	(5)	Other (as snuff, chewing tobacco, etc)	20

Discussion

Taiwan Tobacco Wine and Bureau (TTWB) is a government-owned monopoly. Because Taiwan plans to join the WTO soon, TTWB will be forced to privatize. Three bills have been drafted to dismantle TTWB, a tobacco and alcohol administration bill, a tobacco and alcohol taxation bill; and a bill to revise the statute governing the organization of the Department of the National Treasury. The tobacco and alcohol administration bill became law in June 1999. The other two bills are expected to become law this summer. The law allows TTWB five years to become a limited share company. After privatization, TTWB will likely become separate cigarette, beer, and distilled spirit/wine companies.

Taxes

Currently, importers must pay a monopoly tax of NTD 830 per thousand. After the new tobacco and alcohol tax is passed, the monopoly tax will be replaced by a 27-percent tariff, and a tobacco tax of NTD 590 per thousand pieces. These two taxes are roughly equivalent to the current monopoly tax. In addition, a 5-percent value-added tax will be implemented. A surcharge tax of between NTD 2.36 and NTD 10.00 per pack is also being debated for inclusion in the tobacco and alcohol tax bill. Revenue collected from the surcharge would be used to pay for anti-smoking programs (10 percent), health insurance programs (20 percent), and social welfare programs (70 percent). Only imported cigarettes are assessed the monopoly tax.

Anti-smoking Regulations

The Tobacco Hazards Prevention Act (Articles 9 and 10) stipulates the following: (1) Each manufacturer can take out only 120 magazines advertisements per year; (2) Cigarette manufactures can display their cooperate name when they sponsor activities. But they cannot use those events to directly promote tobacco products or brands; and(3) Point-of-sale promotions are permitted, but limited in certain ways. For example, the value of give-away gifts cannot exceed 25 percent of the retail price of the cigarette product, and the gift can not bear the cigarette’s brand name. All other advertising is prohibited. Marketing channels are also limited by this law.

Also under this law cigarette packs are required to carry one of six health warnings and labels showing nicotine and tar content. The nicotine content of cigarettes sold in Taiwan cannot exceed 1.5 mg, effective 2001, and cannot exceed 1.2 mg after June 30, 2007.

The health warnings are as follows: (1) Smoking is hazardous to ones health; (2) Smoking can cause cancer; (3) Smoking can cause lung cancer, heart disease and emphysema; (4) Smoking by pregnant women results in pre-mature birth and light weight babies; (5) Smoking harms both yourself and other peoples; and (6) Quitting smoking reduces risks to health.

NETHERLANDS ANTILLES/ARUBA

Tariffs

Currency: Netherlands Antillean Florin (Af)

Item	Description	Import Duty N.A.	Import Duty Aruba
24.01	Unmanufactured tobacco; tobacco refuse	63%	57%
24.02	Manufactured tobacco; tobacco and essences:		
	A. Cigarettes	Free	7.5%
	B. Manufactured tobacco (cigars, cheroots, cigarillos, smoking tobacco, chewing tobacco, snuff)	57%	57%
	C. Other	57%	57%

Import Requirements and Restrictions

None.

Taxes

Cigarettes manufactured in the Netherlands Antilles are subject to an excise tax of NAf.8.75 per 100 pieces. Foreign brand cigarettes, manufactured under license in the Netherlands Antilles pay, NAf.11.75 per 100. Imported cigarettes pay NAf.13.75 per 100.

Aruba:

Cigarettes are subject to an excise tax of Af.2.00 per pack of 20.

Anti-smoking Measures

There are no anti-smoking measures instituted by either government. However, private health awareness groups in the Netherlands Antilles and Aruba have ongoing anti-smoking campaigns aimed at preventing people from smoking.

TURKEY

Tariffs

Currency: Turkish Lira (TL)

HS Code	Description	Non EU Duty	EU's Duty	Tobacco Fund	VAT
2401.	Unmanufactured tobacco	31.12%	25%	$3.00/kg	15%
2402	Cigars, open-ended cigars, cigarillos and cigarettes made of tobacco and tobacco substitutes				
2402.20	Cigarettes containing tobacco	36.70%	0	$.40/pack	15%
2403	Other manufactured tobacco or products that can substitute tobacco; reconstituted tobacco, tobacco sauces and extracts	89.90%	0	$3.00/kg	15%

Discussion

Turkey eliminated the Mass Housing Surcharge several years ago. The Tobacco Fund, which originally was envisoned to provide funding for a program to diversify tobacco production, is now used mainly for the national budget. Since its January 1, 1996 Customs Union agreement with the European Union, the Government of Turkey is considering eliminating the Tobacco Fund and replacing it with an internal special consumption tax. The legislation is pending in parliament.

Turkey and the European Union signed a Customs Union agreement on January 1, 1996. It covers cigarettes but not manufactured tobacco. Cigarettes imported from other countries may be assessed a tax burden of 80 percent of the retail value as compared to the EU tax burden of 25 percent. EU's lower tax burden has been a subject of debate. As a result, cigarettes imported from the EU will be exempt from border protection measures while locally produced American type blended cigarettes will not. Unless border protection measures and the internal tax structure are changed, industry representatives believe the domestic cigarette industry will be at a disadvantage, and U.S. investment could be jeopardized.

Import Requirements and Restrictions

The Government of Turkey is in the process of privatizing state economic enterprises. Any local private manufacturer that produces 2 billion sticks of a brand is entitled to import an unlimited quantity of that same brand. However, the existence of the Tobacco Fund makes imports unattractive. Since TEKEL’s import monopoly is to end three years after the Customs Union agreement or January 1,1999, anyone may import cigarettes.

Taxes

In addition to the customs duty, the following taxes are imposed on cigarettes:

Border:	Domestic Cigarettes	Imported Cigarettes
Tobacco Fund	$3.00/kg	$0.40/pk
Customs Tax	25%	0%
Internal:		
Grazing Ground Fund	2%	2%
Education Fund	10%	10%
Additional Tax	100%	100%
Defense Industry Fund	10%	10%
Veterans Fund	2%	2%
VAT	15%	15%

> Some taxes are calculated with other taxes included. The total internal tax is roughly 50 percent of the retail price. Internal taxes and border measures equal about 62 percent of the retail price

Anti-smoking

Turkey passed very strict anti-smoking legislation in November 1996. The regulations became effective November 1997 . The law restricts public smoking, forbids the sale of tobacco products to anyone under the age of 18, and bans all tobacco advertisements.

YUGOSLAVIA

Tariff   Currency: Yugoslav Dinar

Tariff	Item	General Rate	Other
2401	Raw, non-fermented	15%	9%
2402	Fermented tobacco	20%	19%

Discussion

Yugoslavia includes the Republic of Serbia and Montenegro. Importers are no longer required to pay three different border charges. These charges have been replaced by a normal customs tariff rate of 21 percent.

Yugoslavia does not have a most-favored-nation trading status with the United States. Thus, trade with the United States is subjected an additional 70 percent of the preferential rates. However, the EU council temporarily granted back Yugoslavia autonomous trade preference.

Non Tariff Barriers

An import quota and an extra import charge (surcharge) are the main legal constraints for importing tobacco products into Yugoslavia. Under a new decree, Law on Surcharges on Imports of Agricultural and Food Commodities, surcharges will be levied on the basis of specific amounts per kilogram and pack of imported products, regardless of their total import value. The extra import charge (surcharge) represents the difference between the import price, plus import duties, and the average domestic tobacco price. The domestic price is not uniform and depends on tobacco type and degree of processing (stemmed or unstemmed).

Labeling

Effective August 1, 1997 the Government of the Federal Republic of Yugoslavia required all domestic and imported cigarettes to be labeled by a Government of Yugoslavia printed excise stamp. Each excise stamp has a serial number. In addition, the producer or importer are required to affix the stamps on the top of each pack of cigarettes. Domestic stamps are blue colored, licence brands are green colored, and imported brands are blue colored.

Taxes

A turn-over tax or sales tax of 22 percent is applied to all cigarettes. An Ad Valorem tax is used to calculate the level of excise taxes based on quality. They are as follows:

Quality	Ad Valorem tax
Standard Quality	40%
Extra Class	50%
Foreign License and Import	70%

In addition to the above taxes, there is a Republican tax based on quality. The Republican taxes are as follows:

Quality	Tax
Standard Quality	.6 din(US$.10)
Extra Class	.70 din (US$.12)
Foreign License and Import	1 din (US$.18)

Anti-Smoking

The Republic of Serbia has enacted the most stringent regulations. Smoking is restricted in all offices and public places. Special areas are to be set aside in airplanes and trains where smoking is allowed. Public reaction has been less than enthusiastic and regulations are widely disregarded. Also, there is a ban on cigarette advertising, and tar and nicotine levels must be noted on each pack.

HONG KONG

Tariffs Currency: Hong Kong Dollar

HS Code	Description	Import Duty
	Cigars	680
	cigarettes (*) (per 1000 pieces)	244
	Chinese prepared tobacco	130
	All other manufactured tobacco except tobacco intended for the manufacture of cigarettes	640

Discussion

Import Requirements and Restrictions

Companies involved in tobacco trade are required to obtain a license from Hong Kong Customs and Excise Department. In addition, every shipment must have an accompanying approval. This license entitles traders to import/export both tobacco leaf and cigarettes.

Anti-smoking Measures

The Hong Kong Government's policy is to discourage smoking, to educate the public, especially the young, on health risks associated with smoking, and to control the proliferation of cigarette advertising. The current legislation is as follows:

A) prohibits smoking on public transport and in cinemas, theaters, concert halls and places of public entertainment;

B) prohibits tobacco advertisements in printed publications and on display to carry health warnings and tar group designations, if applicable;

C) requires tobacco advertisements in printed publications and on display to carry health warnings and tar group designations, if applicable;

D) requires packages of tobacco products to carry health warnings and tar group designations, if applicable;

E) prohibits the sale of high-tar cigarettes;

F) requires restaurants to display a sign to indicate whether a non-smoking area is provided in the restaurant premises; and

G) prohibits the sale of tobacco products to minors (under the age of 18) and requires retailers to display a sign to the same effect.

It is the government's policy to introduce tobacco control measures in stages, in line with world trends and the community's wishes. The Legislative Council passed the Smoking (Public Health Amendment) Ordinance in 1997 which includes a number of measures to further control tobacco promotion and facilitate the creation of more non-smoking areas. Different provisions in the Amendment Ordinance will come into effect on different dates. The provision of setting up no-smoking areas in restaurants and schools became effective on April 1, 1998. Starting July 1, 1998, smoking in supermarkets, banks, department stalls and shopping malls will be prohibited.

The most important measures are the bans on tobacco display advertisements in mid-1999, and tobacco advertisements in printed publications in December 1999.

In addition, in the future the tar group shown on cigarette packets will be replaced by an indication of tar and nicotine yields to better inform the public. Also sales of cigarettes with a tar yield exceeding 17 mg will be prohibited. However, the amendment ordinance will allow a 12-month grace period for cigarette packets and retail containers of cigarettes to bear the previous tar levels.

ZIMBABWE

Tariffs Currency: Zimbabwean Dollar

Discussion

Imports of unmanufactured tobacco, as well as manufactured tobacco products are prohibited.

Taxes

In 1994 the government changed the excise duty on tobacco products from a fixed rate to ad valorem. The Ad valorem rate was set at 80 percent of production cost. There was a reduction in the cigarette import tariff from 44 percent to 20 percent beginning August 1,1997.

Import Requirements and Restrictions

Labeling

The producer/importer are required to affix stamps on the top of each pack of cigarettes, for domestic brands (red stamp), license brands (green stamp) and imported brands (blue stamp).

Anti-smoking:

An agreement was reached between manufacturers and the Ministry of Health on warnings to be placed on all cigarette packages, In addition, any advertising in the print and electronic media must carry warnings to indicate that “smoking maybe harmful to your health”.

BARBADOS

Tariffs

Currency: Barbados dollar (B$)

HS Code	Description	Bound Ad Valorem	Other Duties and Charges
2401	Tobacco	100%	70%

Import Requirements and Restrictions

Importers must obtain licenses to import tobacco products from countries which are not members of the Caribbean community. In addition, the government imposes a consumption tax of B$90.00 per 1,000 cigarettes (B$22.00 per pound of cigars), and a 20-percent stamp tax on the CIF value of both cigarettes and cigars.

Anti-smoking measures

There is a significant and growing anti-smoking campaign underway. Cigarette commercials no longer appear on television (unofficially banned), and smoking is prohibited in many public buildings. The Barbadian Cancer Society plans to begin its own anti-smoking drive shortly.